

CLASSIFICATION SECRET

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

REPORT [REDACTED]

CD NO.

COUNTRY East Germany

DATE DISTR. 17 December 1954

SUBJECT SED Evaluation of the Political Situation

NO. OF PAGES 2

PLACE
ACQUIRED [REDACTED]NO. OF ENCLS. 25X1
(LISTED BELOW)DATE OF
INFO. [REDACTED]SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE
OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 793
AND 794, OF THE U. S. CODE, AS AMENDED. ITS TRANSMISSION OR REVEL-
ATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON
IS PROHIBITED BY LAW. THE REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

1. [REDACTED] Molotov's visit in Berlin and 25X1
his speech there amply proved that the USSR does not intend essentially
to change its present attitude toward the GDR. [REDACTED]
two possibilities must be considered in the development of the political
situation:

- a. The London agreement will be killed, especially by efforts made 25X1
in France. This event may bring about the reunification of a neutralized
Germany. The SED leadership doubted that the events would take this
course, but still they considered the possibility of a failure of the
integration policy initiated in London. 25X1
- b. The London agreement will be implemented. It was believed that this
would take some time and that the GDR would hardly be affected by
this development. 25X1

2. [REDACTED] 25X1
been drafted. The general elections [REDACTED]
were believed to have resulted in [REDACTED]
There may be a reshuffle of top-level personnel in some ministries. 25X1
Grotewohl was expected to remain in office as long as Wilhelm Pieck
could exercise his functions as president of state. The bourgeois
minister [REDACTED] Foreign Minister Dr. Bolz, would also remain in office. 25X1
It was [REDACTED] intention of the SED leadership to increase
the activity of the GDR in all spheres of life. These all-German
endeavors would assume more and more a West-European character [REDACTED]

[REDACTED] The SED would increase its efforts to establish closer sports
and cultural relations between the GDR and West Germany. It was still 25X1
the chief objective of the SED to come to a better understanding and
cooperation with the DGB and the SPD. The last DGB convention was
criticized from a trade-union point of view but praised for its
political implications. It was pointed out that if the SPD continued 25X1
in its opposition to Adenauer's policy the intended West German army
would be opposed by a common front of the West German workers. This

CLASSIFICATION SECRET

STATE	DEFENSE	AGENCY	DISTRIBUTION
-------	---------	--------	--------------

25X1

SECRET/~~CONTROL~~ - U.S. OFFICIALS ONLY

- 2 -

opposition would deduct much from the potential value of the German army for the West. The opposition of the West German labor front against the rearmament of West Germany would also strengthen the opposition of bourgeois neutralists and pacifists.

3. SED circles believe that a new four-power conference will be held, probably this year. There was no serious danger of war in Europe for the next three years. The USSR would not be greatly impressed by an implementation of the London agreements. The danger spot was, however, not in Europe but in Asia. The USA, by refusing to admit Red China into UN, rendered the Eastern Bloc a great service. China was thus given a free hand, especially toward Formosa.

Comment. The intention of the Soviets to kill the London agreement was also reflected in other reports, although the Soviets appear to be considering the possibility of Germany's participation in a West European security system. The tactics of the Soviets are influenced by this evaluation of the political situation. For the time being, efforts to infiltrate West Germany and to bring about a new four-power conference on the settlement of European problems are to be intensified. It appears that the Soviets still believe in the possibility of a four-power conference in spite of a possible ratification of the London agreement.

25X1

25X1

SECRET/~~CONTROL~~ - U.S. OFFICIALS ONLY